

SENATE BILL 1881  
By Norris

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 64;  
and to repeal Chapters 802 and 803 of the Public Acts of  
1998, relative to real property tax deferral.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Chapters 802 and 803 of the Public Acts of 1998 are repealed.

SECTION 2. Tennessee Code Annotated, Section 7-64-101, is amended by adding the  
following new language at the end of subsection (b):

Provided, however, that the legislative body of any county or municipality may  
provide by resolution that such income level may be increased to an amount not in  
excess of twenty-five thousand dollars (\$25,000).

SECTION 3. Tennessee Code Annotated, Section 7-64-102(b), is amended by adding  
the following new language:

Provided, however, that the legislative body of any county or municipality may  
provide by resolution for an increase in the amount of appraised fair market value  
limitation or may abolish such limitation.

SECTION 4. Tennessee Code Annotated, Section 7-64-103(c), is amended by adding  
the following new language:

Provided, however, that the legislative body of any county or municipality may provide by resolution that such fee may be increased to six dollars (\$6.00).

SECTION 5. Tennessee Code Annotated, Section 7-64-104(b), is amended by inserting the following language between the first and second sentences:

Provided, however, that the legislative body of any county or municipality may provide by resolution that such interest rate may be lowered to simple interest at the rate of six percent (6%).

SECTION 6. Tennessee Code Annotated, Section 7-64-202, is amended by adding the following new language at the end of the section:

Provided, however, that the legislative body of any county or municipality may provide by resolution that such income level may be increased to an amount not in excess of twenty-five thousand dollars (\$25,000).

SECTION 7. Tennessee Code Annotated, Section 7-64-203, is amended by adding the following language at the end of the section:

Provided, however, that the legislative body of any county or municipality may provide by resolution that such income level may be increased to an amount not in excess of twenty-five thousand dollars (\$25,000).

SECTION 8. Tennessee Code Annotated, Section 7-64-206, is amended by adding the following language at the end of the section:

Provided, however, that the legislative body of any county or municipality may provide by resolution for an increase in the amount of appraised fair market value limitation or may abolish such limitation.

SECTION 9. Tennessee Code Annotated, Section 7-64-209, is amended by adding the following language at the end of the section:

Provided, however, that the legislative body of any county or municipality may provide by resolution that such interest rate may be lowered to simple interest at the rate of six percent (6%).

SECTION 10. Tennessee Code Annotated, Section 7-64-210, is amended by designating the existing language as subsection (d) and by adding the following new subsections:

(a) Deferrals on payment of real property taxes granted under the terms of this part shall be terminated:

(1) Upon the death of the person to whom the deferral was granted and that person's surviving spouse if such spouse meets the terms and conditions of this chapter; or

(2) When the residence is sold.

(b) When such termination is by death, such taxes and interest shall be due and payable within eighteen (18) months of such termination or the settlement of the estate, whichever occurs first.

(c) When such termination occurs as a result of the sale of the property, all unpaid taxes and interest thereon shall become due and payable with sixty (60) days. A deed for the sale of such property shall not be accepted for recordation in the office of the county register of deeds until all taxes and interest have been paid.

SECTION 11. Any action taken by any municipality or county pursuant to the provisions of Chapters 802 and 803 of the Public Acts of 1998 prior to the effective date of this act shall remain valid and shall be the law in such jurisdictions until changed in accordance with the provisions of this act.

SECTION 12. This act shall take effect upon becoming a law, the public welfare requiring it.